

CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

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10 JUNE 1966

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1. South Vietnam

There have been no incidents reported in Hué in the wake of Saigon's dispatch of some 350 combat police into the city today. Progovernment forces there seem to be gradually getting the upper hand, though Buddhists continue their nonviolent protest gestures.

General Thi displayed his irritation with Tri Quang and the "struggle movement" during a conversation today with a US consular officer. He said the movement has been infiltrated by Communists, and then he proceeded to name several.

Thi was equivocal when asked whether he thought the present government could stay in power until after elections. He said that what the country really needs is a strong benevolent dictator to end the anarchy. He hinted that he would be a good choice for the job.

2. North Vietnam

A review of shipping from North Vietnam last month indicates that there was a notable reduction of coal exports as a result of the mid-April air strike against Cam Pha, site of the principal coal processing and transportation facilities.

It appears that the entire deficit was deducted from Communist China's quota. Deliveries to North Vietnam's other two major coal customers, Japan and France, were maintained at normal levels.

3. North Vietnam

Recent evidence has added to our knowledge of the Chinese Communist military presence in North Vietnam. This is summarized in today's Annex.

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Soviet manned space flights will be resumed "very soon," according to a Soviet space official.

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space station in orbit around the earth.

If all goes well, construction of such a station might be started within the next six to 18 months. The last Soviet manned space flight was in March 1965.

5. Rhodesia

There is still no light at the end of the tunnel, but both the British and the Rhodesians seem to have given at least a little in exploratory talks now continuing in Salisbury. The cards are being held very close to the vests.

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6. Tanzania

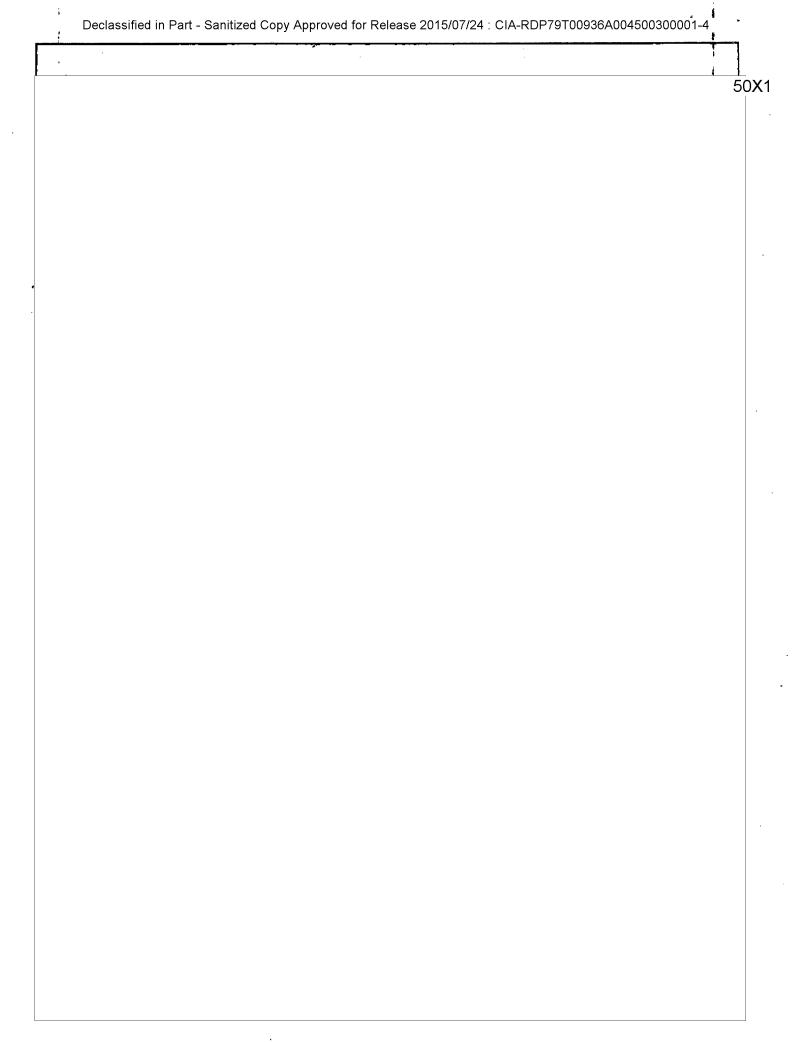
London's withdrawal of its \$21-million loan after Dar es Salaam broke relations with the UK over the Rhodesia issue has forced the Tanzanians to seek new Communist aid. Last week they signed their first development credit agreement with Moscow for \$19.6 million on terms which they had refused to consider in 1964. This week they obtained a cash credit of \$5.6 million for budgetary support from Peking

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7. Dominican Republic

It has developed that the leaders of President-elect Balaguer's own party are in the dark as to his plans and policies. So far, he apparently has not discussed cabinet appointments with anyone. Party colleagues say he plans a series of "surprises" immediately following his inauguration on 1 July.

However that may be, at the moment he seems to have no fixed ideas on programs, according to Ambassador Bunker, who talked with him at length on Tuesday. The ambassador got the impression that Balaguer hopes the US will offer some guidance.



ANNEX

Chinese Communist Forces in North Vietnam

nam have not grown substantially since early March. The overall structure of these forces has become somewhat clearer since then, however. Also, photography has shown continued progress on major construction projects in the areas where the Chinese engineer units are located.	50X 50X
Total Chinese troop strength in North Vietnam is now estimated to be between 30,000 and 47,000. This includes four engineer divisions, two antiaircraft divisions, a coastal security division, three lesser units apparently associated with construction projects, and service units of perhaps regimental size.	50X^
The Division, which moved into the Kep area is installing an extra rail on the meter-gauge rail line from Kep to the Chinese border, thus making this segment of the track capable of handling both the meter-gauge Vietnamese and the standard-gauge Chinese equipment. From Kep a new standard-gauge line is being constructed directly to the Thai Nguyen iron and steel complex, a large Chinese aid project.	50X 50X
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Recent photography shows extensive new road construction and improvement in the area. This route is a good alternative to the more exposed rail and road routes into China farther east.	50X1
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what looks increasingly like airfield construction. One airfield is apparently	50X
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being built in the Yen Bai area and the other in the Song Dong area some 20 miles west of Hanoi. These projects could be completed by the end of this year.

The new air bases are probably being built for the North Vietnamese as part of the continuing Chinese effort to improve Hanoi's air defenses. At present, there are only five airfields in all of North Vietnam capable of handling jet fighters. It is possible, of course, that these airfields may be intended for contingency use by the Chinese.

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